

February 13, 2009

TO: Glenn Robison
Office of the City Clerk

FROM: Kerry Morrison
Central Hollywood Coalition consultant

SUBJECT: Fourth Quarter Report – Sunset and Vine BID
October 1, 2008 -- December 31, 2008

As is required in our Agreement with the City of Los Angeles, I am submitting the Fourth Quarter Report to summarize key activities of the Sunset & Vine BID. In addition, attached to this memo, is the year end financial report.

I. Operational Issues

- The board adopted the 2009 detailed budget at their November board meeting. At the board's request, the Treasurer incorporated a three percent delinquency projection, even though the 2008 experience was extremely low, at .05 percent. The more conservative projection for the coming year is predicated upon the economic uncertainty facing many property and business owners. The detailed budget was submitted to the city as part of the 2009 Planning Report on November 26, 2008.
- The year-end actual cash flow report is attached as Exhibit A to this report.
- The Bylaws Working Group approved the implementation of staggered two year terms starting in 2009 (currently all board members serve for one year terms). The board approved this amendment to the Bylaws at their October 14, 2008 meeting. All board members would draw straws at the January, 2009 board meeting, to determine if they would serve through 2010 or 2011, to implement this new arrangement. Further, with respect to a general review of the bylaws, and especially with the objective to bring them in conformance with the Brown Act, the board retained the services of an attorney (Jeff Briggs) to help guide this process, at a cost NTE \$2,000.
- AT the October 14 meeting, Brian Folb, of Paramount Contractors, was elected by the board to fill the seat vacated by the resignation of Brad Folb. He will serve the remainder of that term, through December, 2008.

- At the November meeting, the board approved an annual service agreement with Willdan Financial Services to maintain and update the property database for \$800/quarter

- The board reviewed a request from a parcel owner (6222 Fountain) for reduction or exemption of their parcel from the database. The City Clerk, after reviewing the situation, and conducting a site visit, determined it was possible to isolate the commercial use on this largely residential parcel and adjust the assessment accordingly. The matter had been in front of the board for several meetings, and the rationale for the adjustment involves the following:

- (A) the parcel is located off the commercial corridor located along Vine Street and is not in a position to benefit from BID services;

- (B) the parcel is largely a low income senior housing complex, with just a small medical office located on site (the commercial square footage);

- ©) an identical parcel across the street was not included in the BID due to the lack of any commercial square footage on the premises;

- (D) this parcel was not part of the original boundaries recommended by the BID Formation Committee, but was added at the last minute by the city attorney when conducting a map oriented (non visual) boundary review.

The board voted to recommend a revised assessment for the 6222 Fountain Avenue parcel which adjusts the assessable square footage to restrict it to only the commercial building located on the parcel.

II Security

- By year's end, the following summarizes the key work product of Andrews International:

- ✓ 690 private person's arrests
 - ✓ Approx. 47 % for drinking in public, 12 % for urinating in public, 4% for narcotics, 4 % for various felonies, and the remainder for trespassing, theft, vandalism, blocking the sidewalk etc.
 - ✓ 1,318 referrals to social service and homeless organizations
 - ✓ 2,127 citizen contacts
 - ✓ 709 radio calls for service
 - ✓ 1,255 business checks
 - ✓ 2,026 "extra patrols" (where a property is given extra attention)

- Progress continued on the installation of a video surveillance camera at the SE corner of Sunset and Cahuenga. The Department of Transportation granted permission to install the camera on their ATSAC pole, and Amoeba Records granted permission to mount the repeater on their roof.

- HPOA staff participated in the second annual United Way Homewalk on November 14, 2009.

- At the December 9, 2008 board meeting, the board of directors approved a change order to the Andrews International contract, for 2009, for the amount of \$770,000.

III Streetscape Issues

- Within the Streetscape Committee, most of the fourth quarter was devoted to overseeing the competitive bidding process for the maintenance contract. The RFP was sent out in early October, and proposals were due on October 22. Interviews with three finalists (Chrysalis, US Metro Group and Clean Street) were performed on November 12, 2008. The Selection Committee recommended entering into a three-year contract with Clean Street, subject to some additional concessions on adding back pressure washing dollars as an incentive for a multi-year contract.
- The board authorized a doubling of the monthly bulky item pick up service (from two times a month to once a week), raising the monthly cost of this service to \$700. This service will be incorporated into the new maintenance contract for 2009.
- Staff represented the SVBID at a CRA sponsored "Urban Design Open House" designed to encourage community input into the urban design plan being created for Sunset Boulevard. The workshop was held on November 6, and the plan will ultimately address streetscape issues, pedestrian amenities, preservation issues and transitions between neighborhoods.

IV Marketing Issues

- HPOA Staff organized a bus tour for 14 reporters from the Los Angeles Business Journal and their editor. It was held on October 15, 2008, and the tour included stops to view the major developments in both the Sunset & Vine BID and the Hollywood Entertainment District. After the tour, the group was joined for lunch at the Hollywood Roosevelt Hotel by CHC President Dirk DeGreave and HED President Chris Bonbright. Partially as a result of the tour, within the quarter, there were several stories in the LABJ about stakeholders in the SVBID, including the Palladium and Space Fifteen Twenty.
- The CHC Board authorized a contribution of \$750 to the Los Angeles BID Consortium to assist in the funding of a \$5,000 education strategy aimed at informing the Los Angeles City Council, and city leaders, about the role played by BIDs in the city. Cerrell & Associates, a public affairs consulting firm, has been hired to prepare a report, a video, and to organize a formal presentation in front of the city council in early 2009.

CENTRAL HOLLYWOOD COALITION ACTUAL CASH FLOWS 2008

B-JAN-08

	ACTUALS												Total 2,008
	January	February	March	April	May	June	July	August	September	October	November	December	
Receipts													
Net Property Assessments	458,390	121,085	43,109	72,073		397,859	152,135	12,054		11,321			1,267,866
Balance Forward	341,402	2,537											344,019
Interest Income Wells Fargo	612	1,456	1,400	1,208	1,180	1,536	1,330	1,288	1,147	1,015	809	424	13,472
Interest Income County & City		2,955					2,129	3,000				3,092	11,176
Total Projected Receipts	800,404	128,032	44,509	73,281	1,185	399,394	155,594	16,342	1,147	12,336	809	3,516	1,695,531
Expenditures													
1. Management Contract	11,000	11,000	11,000	11,000	11,000	11,000	11,000	11,000	11,000	11,000	11,000	11,000	132,000
2. Professional Services													
a. Consultants	2,000	2,000	2,000	2,000	2,000	2,000	2,000				2,000		16,000
b. Accounting				4,500			800					233	5,533
c. Legal												750	750
d. Insurance	13,802												13,802
3. Office Expense													
4. Neighborhood Issues													
a. Security	45,130	89,298	87,722	85,103	67,401	77,475	66,870	52,834	88,427	54,000	53,825	41,869	728,754
b. District Maintenance	17,333	30,333	16,033	30,603	17,083	30,603	19,000	36,342	16,342	36,917	19,382	31,892	306,432
c. Beautification													
d. Marketing	31,741	1,293		1,950	338	2,963	300	300	300	1,403	300	1,842	42,730
e. Social Services							14,000				10,000	310	24,310
5. Taxes and Fees													
6. Contingency	1,152	832		134	10						81		2,210
Total Projected Expenditures	121,968	114,768	98,765	118,270	98,431	124,121	113,979	190,478	98,869	183,319	96,597	87,497	1,273,320
Net Cash	678,436	13,264	(54,136)	(42,089)	(87,241)	275,273	41,614	(84,133)	(88,722)	(80,984)	(85,789)	(83,981)	362,214
Cumulative Cash	678,596	691,742	637,606	595,517	498,276	773,398	818,922	734,789	653,966	572,983	487,194	383,214	

Gross Billings	100.0%	1,300,328
City & County Fees (3%)	2.0%	(26,120)
Delinquencies (Actuals)	0.5%	(6,332)
Receipts County and Public less Fee	97.5%	1,267,866
Receivable Due from City		4,835
Net Paid to CHC to Date		1,267,866
Add Investment Income		24,649
Rollover used from 2007.		194,385
Cash Available		1,486,900

	Monthly	Second Year
Management Contract	11,000	132,000
Consulting, Accounting, Legal, Insurance	2,960	35,885
Total Administration	13,960	167,885
Contingency	164	2,210
	14,124	170,095

Management Plan	Yearly Budget	Actuals to Date	Over/Under	Add Fees & Delinquencies
Security	686,574	729,754	55,320	729,754 55.9%
Maintenance	253,564	306,432	(16,448)	306,432 23.5%
Beautification	53,313	60,983	60,983	
Marketing	37,710	42,730	391	42,730 3.3%
Social Services	20,805	24,310	(5,205)	24,310 1.9%
Administration, Legal, Accounting	164,647	167,885	43,265	167,885 12.9%
City Fees and Delinquencies	58,515	66,910	34,477	66,910 2.5%
Contingency	5,201	2,210	5,736	2,210 0.2%
100.0%	1,300,328	1,273,320	181,117	1,305,713 100.0%

